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ABSTRACT

Rural poverty in Sindh, Pakistan, has been artificially created by low prices of wheat, fixed by the federal government's price control board. Agriculture and agro-based industries account for 80 percent of the country's labor force. Among the consequences of this price control are low margins of profit to the farming community; low capacity to adequately develop farm land; low wages to farmers; and malnutrition in farm families, resulting in mental retardation and low I.Q. in children. Prices are controlled to provide cheap labor to industry. Other factors that contribute to poverty in Sindh are: loans against rural property are allowed at 10 percent of property value, compared to 75 percent for urban property; feudalist remnants in society discourage education among the masses to keep them poor and ignorant; and rural property owners lost their land to money lenders during the post-World War I depression. Poverty has affected family attitudes, economic conditions of the family, and the intellectual level of parents, all of which have affected the education of children. The education system needs to be reshaped to meet new social demands and should emphasize primary education, formal and technical education, adult literacy programs, equal education, and vocational education. A table shows the real value of 50 kg of wheat in terms of 1950 prices, for the years 1950-87. (TD)

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Literacy, Income Generation, and Poverty Alleviation in Sindh Pakistan and Its Impact on Economic Development, Human Resource Development in Pakistan

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Literacy, Income Generation, and Poverty Alleviation in Sindh Pakistan and Its Impact on Economic Development, Human Resource Development in Pakistan

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Abstract.

The rural poverty in Sindh has been artificially created. The responsibility lies on the Federal Government's Price Control Board. At the time of independence in 1947, agriculture was the dominating sector, contributing 53% of Gross Domestic Products (GDP). In 1987, 40 years after the formation of Pakistan, it contributed only 25& of GDP, still providing employment to more than 50% of the country's total labour-force. Agriculture and Agro-based industries accounts for 80% of country's total labour-force. The present prices of wheat in 1995 at Rs.160 per 40 kgs, is about 46.34 of 1975 prices in terms of real prices. Between 1975 and 1995 Pak Rupee Visa-Vis US Dollar has depreciated from Rs.9.90 to Rs.31.00 per US$1.00. The US Dollar in turn has also depreciated to 0.3329 of 1975 its value. This justifies the price of wheat to do increased by 10 times fixed by the Government to that of 1975 or Rs.396.5 per 40 kgs, against Rs.160 as fixed by the Government.

The net result is that the returns from rural earning are less than half of the urban earning. This has lead to poverty conditions for the past five decades in rural areas. This in turn has effected biological factors namely:

- Family attitude.
- Economic conditions of family.
- Intellectual level of parent.

Poverty has affected all these three factors and these in turn have affected the education of the children.

Family attitude.

The family relationship, educational standard of the parents, number of the family members, family attitude towards the education, these factors ultimately effect on the achievement of the student.

Economic condition.

The economic condition of the parents lead to the level of education of children as well as the level of completion of their study. The study shows in the families of low economic standards, their children face more economic problem, which reduce their level of achievement, though in a few cases there is no effect of socio-economic status on high achievement of the children.

Intellectual level of the parents.

It effects on the relationship between the teacher-pupil, resulted in to effect on the academic achievement.

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LITERACY, INCOME GENERATION, AND POVERTY ELEVIATION IN SINDH (PAKISTAN) AND IT IMPACT ON ECONOMIC AND HUMAN RESOURCE DEVELOPMENT.

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Introduction.

The Province of Sindh lies in the Southern part of Pakistan and extends from 23^{o}-35' to 28^{o}-30' and 66^{o}-42' to 71^{o}-10'E, with and area of approximately 143,000 sq. kms, of which about 5.5 million hectares or 55,000 kms are irrigated from the river Indus. The population of Sindh as of today is about 30 millions.

Rural poverty.

The rural poverty in Sindh has been artificially created. The responsibility lies on the Federal Government's Price Control Board. At the time of independence in 1947, agriculture was the dominating sector, contributing 53% of Gross Domestic Products (GDP). In 1987, 40 years after the formation of Pakistan, it contributed only 25% of GDP, still providing employment to more than 50% of the country's total labour-force. Agriculture and Agro-based industries accounts for 80% of country's total labour-force. The present prices of wheat in 1995 at Rs.160 per 40 kgs, is about 46.34 of 1975 prices in terms of real prices. Between 1975 and 1995 Pak Rupee Visa-Vis US Dollar has depreciated from Rs.9.90 to Rs.31.00 per US$1.00. The US Dollar in turn has also depreciated to 0.3329 of 1975 its value. This justifies the price of wheat to do increased by 10 times fixed by the Government to that of 1975 or Rs.396.5 per 40 kgs, against Rs.160 as fixed by the Government.

REAL VALUE 40 KG OF WHEAT PAID TO FARMER AS COMPARED TO RUPEE OF 1950 BASED ON ANNUAL INFLATION IN U.S. DOLLAR AS PER OFFICIAL REPORTS AND THAT OF PAKISTAN RUPEE AS PER OFFICIAL AND UN-OFFICIAL RATES FOR YEARS 1950/51 TO 1987-88

Year	Inflation in the past year in USA, in percentage from U.S. official reports.	Value of U.S.$ during the year compared to U.S. $ of 1950-51 in cents. 100x(100) / (100+depreciation of previous year)	Official rate of Pak Rupee to U.S. $,at official rate as fixed by government, from time to time.	Pak rupee to U.S. $,based, on straight-line depreciation between the devaluations or revaluations.	Year wise procurement price of 40 Kgs of wheat, in Pak. rupee as fixed by Pakistan Government.	Year wise procurement price in U.S. $, at Pakistan's official rate of conversion (column 6 X column 3÷100)	Value of 40 kgs of wheat in terms of U.S.$ of 1950. column 7 x column 3÷ 100)	Value 40 kg of wheat in Pak. rupee, considering U.S. $ 1.00 equivalent to Pak-rupees 3.30 of 1950. (column 8x3.30	Real purchase value of 40 kgs of wheat as compared to 1950 rupee (column 9x Column 4÷ column 5.	Percentage of amount paid to the farmer, as compare to 1950 (column 10)÷ (rupees 6.44)x 100.
		3	4	5	6	7	8	9	10	11
1950-51	-	1.00	3.30	-	6.44	1.00	1.00	6.44	6.44	
1951-52	5.8	94.517958	3.30	3.70	6.44	1.00	1.00	6.44	6.44	
1952-53	0.6	89.252264	3.30	4.02	6.44	1.00	1.00	6.07	5.30	100%
1953-54	0.6	88.45598	3.30	4.20	6.44	1.00	1.00	5.74	4.71	88.2%
1954-55	0.6	87.928409	3.30	4.52	6.44	1.00	1.00	5.69	4.39	73.3%
1955-56	0.9	87.490954	4.76	4.76	6.44	1.00	1.00	5.64	4.12	68.1%
1956-57	0.4	87.142384	4.76	5.12	6.44	1.00	1.00	3.89	3.89	63.9%
1957-58	2.9	84.686476	4.76	5.49	6.44	1.00	1.00	3.86	3.59	60.4%
1958-59	3.0	82.219875	4.76	5.86	7.51	1.00	1.00	3.76	3.26	55.7%
1959-60	1.8	80.766089	4.76	6.21	7.51	1.00	1.00	4.29	3.48	50.6%
1960-61	1.5	79.57250	4.76	6.59	7.51	1.00	1.00	4.22	3.23	54.0%
1961-62	1.5	79.396552	4.76	6.76	7.51	1.00	1.00	4.16	3.04	50.2%
1962-63	0.7	77.85159	4.76	7.33	7.51	1.00	1.00	4.13	2.82	47.2%
1963-64	1.2	76.928448	4.76	7.69	11.80	2.47	1.90	4.06	2.64	43.8%
1964-65	1.9	75.716976	4.76	8.06	11.80	2.47	1.87	6.27	3.68	61.%
1965-66	1.2	74.819146	4.76	8.43	11.80	2.47	1.84	6.17	3.64	61.2%
1966-67	1.9	73.424080	4.76	8.79	11.80	2.47	1.81	6.07	3.43	56.9%
1967-68	3.4	71.009756	4.76	9.16	18.22	3.83	2.72	5.97	3.23	53.3%
1968-69	3.0	70.797363	4.76	9.53	18.22	3.83	2.71	8.98	4.67	56.2%
1969-70	4.7	67.613257	4.76	9.90	18.22	3.83	2.59	8.98	4.47	77.9%
1970-71	6.1	63.731627	4.76	10.29	18.22	3.83	2.44	8.56	4.11	69.4%
1971-72	5.5	62.409125	4.76	10.63	18.22	3.83	2.31	8.05	3.73	63.8%
1972-73	3.4	58.52275	11.00	11.00	24.11	2.19	1.28	2.62	3.41	57.9%
1973-74	3.4	56.501693	9.90	9.90	27.33	2.76	1.56	4.22	4.22	52.0%
1974-75	5.8	51.931703	9.90	9.90	29.65	4.00	2.08	5.15	5.15	65.2%
1975-76	10.2	46.2894	9.90	9.90	29.65	4.00	1.85	6.86	6.86	106.5%
								6.11	6.11	94.8%

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	2	3	4	5	6	7	8	9	10	11
1976-77	7.0	42.256953	9.90	9.90	29.65	4.00	1.73	5.71	5.71	88.7%
1977-78	4.8	42.2757	9.90	9.90	29.65	4.00	1.65	5.44	5.44	84.5%
1978-79	6.8	38.647676	9.90	10.27	29.65	4.00	1.55	5.12	5.12	79.5%
1979-80	9.0	35.456583	9.90	10.55	48.23	4.87	1.73	5.71	5.71	88.7%
1980-81	13.4	31.29442	9.90	10.83	54	5.45	1.70	5.44	5.21	80.9%
1981-82	13.5	27.572	11.00	11.00	59	5.36	1.47	4.70	4.32	67.1%
1982-83	10.4	24.97463	12.50	12.50	64	5.12	1.38	4.22	4.22	65.5%
1983-84	3.6	24.106785	13.50	13.50	64	4.74	1.14	3.77	3.77	53.6%
1984-85	3.00	23.404646	15.00	15.50	80	5.33	1.24	4.11	3.98	61.9%
1985-86	4.00	22.354	16.50	16.50	80	4.85	1.08	3.58	3.58	55.6%
1986-87	3.00	21.702912	17.50	17.50	80	4.57	0.99	3.27	3.27	50.7%
1987-88	2.7	22.132339	18.30	18.30	85	4.64	0.98	3.24	3.24	50.2%
1988-89	4.00	20.219557	20.70	20.70	85	4.10	0.83	2.73	2.73	42.39%
1989-90	7.6	19.5568399	21.50	21.50	97	4.51	0.88	2.91	2.91	45.18%

Notes:

Inflation rate in U.S. (column 2) is taken from U.S. records up to 1987/88.

Value of dollar year wise as compared to 1950 (column 3) is worked out from the rates of inflation in USA since 1950 as given (column 2).

Pak. rupee to U.S. dollar in based on Pakistan Government official rates which were: 1949-1953 Rs.3.30; 1955-1972 Rs.4.74; 1972 to December 1981 9.90; 1982-1987 rupee floated and average values of year have been taken. In 1972 for a few months the rate of Rs.11.00 to a dollar when dollar was devalued twice but rupee was reduced from Rs.11 to Rs.9.90 per dollar.

Official devaluations and revaluations took place in 1949, 1955, 1972, 1982 (floating), and between these periods Pakistan rupee kept depreciating. The depreciated rate was announced by Swiss banks every day. News Week also announced weekly official and un-official or actual rates. For the purpose of this article it has been assumed that depreciation was at a uniform annual rate between any two official devaluation. It is slightly different from News Week rates and is given in (column 3).

Column 4 is year wise procurement price of 40 Kgs of wheat since 1950. Exact figures for period prior to 1970 are not readily available from the current official records. The present writer collected this information from market.

Colum 7 is year-wise price of 40 Kgs of wheat in U.S. dollars as per official rate of Pakistan rupee to a dollar.

Column 8 is year wise price of 40 Kgs of wheat in U.S. dollars of 1950-51 and is worked out by dividing column 7 by column 3 and multiplying by 100 to convert cents into dollars.

Column 9 price of procurement of wheat in Pak. rupee as compared with the value of Pak. rupee of 1950-51 as per official rate Rs.3.30 to a dollar of 1950 [illegible] Rs3.30.

Column 10 real procurement value of 40 Kgs of wheat in the terms of 1950-51 on the basis of actual depreciation of Pak. rupee between official devaluations of Pak Rupee.

Column 11 is year-wise percentage price paid to the farmer since 1950-51, assuming the value in 1950-51 to be 100%.

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Consequences of price control.

Consequences of low prices of agricultural commodities are:

* Low margins of profit to the farming community.
* Low capacity of develop the land further.
* Lack of interest in spending on inputs like, water management, ground water development, irrigation techniques for saving water, applying optimum fertiliser, procuring better seeds, optimum use of plant protection measures, capital cost on structures for efficient farming, precision land levelling, introducing new crops and etc.
* Lack of inputs further reduces ability to spend on input and low level of yields are maintained. The yields of all agricultural commodities including fruits, vegetables, grasses are 1/3rd of those in advanced countries.
* Low salaries to farm labour.
* Low ability of farmer to improve his lot, as well as that of his family.
* He cannot support his family and has to economise on food in-take, wear cheap clothes, move bare-footed.
* The low standards of food further cause diseases in the family and high mortality as well as low life expectancy.
* The farm family is not able to earn required calories of food. For rural Sindh the present average is 1600 Kilo calories for females and 2000 kilo calories for males falling short by 20%, which is acquired by browsing of wild plant-food like berries, young leaves of peas and beans, stolen vegetables and sugar cane and doing extra jobs at home or out side for some one.
* The food of most of rural labour force, tenant farmers and small owner cultivar has been reduced to cereals taken with tea or occasionally with peas and beans.
* Animal protein is taken hardly once a month.
* Milk is produced for sale and poor of above classes hardly take it.
* The research of past 20 years has shown that if at least ½ Kg milk is not taken by children under 14 years, they become mentally retarded and stupid and this is common occurrence in Sindh of to-day i.e., new population from poor class is low in I.Q and is mentally retarded.

Why prices are controlled?

* Prices are controlled to provide cheap labour to the industry. The industry exports manufactured good at international prices and over and above that they earn bonus. Thus the industry makes high margin of profits, and they keep expanding and putting new industries from the profits. The city labour can fight for the wages but they are provided cheap grains, vegetables, meat, milk and fruit. They are also provided free medical assistance, the bill being about Rs.500 per month per worker's family. Leave salary, gratuity and leave fare assistance takes him to his home village on vacation or provide extra money for family if he stays in the town he works in. He raised no voice and if he does, wages are increased slightly and industrialist is allowed to make profits.
* As against this 100% of land owners are bankrupt and almost all of them take loans from banks for raising crops annually.
* Loans for industry are allowed against urban property and are allowed at 75% of value of property. Loans against land are paid on unit basis. A land of 40 units is sold at Rs.40,000-50,000 per acre but the land owner can get only Rs.3,000 for development from banks i.e., 10% or less of value.

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There are many other factors which contribute to the creation of poverty in Sindh;

* Fedualist remants in Sindh Society. Fedualists discourage education among masses and try to keep population poor and ignorant.
* Attempts of the past Sindhi societies to develop self-sufficient economies in the rural areas and such self-sufficient economy caused imobility of Sindh Society.
* Sindh's economic patterns; cereal, cotton and sugar cane culture, the prices of which are controlled at very low rates and this caused backwardness in the rural areas.
* Sindhi Hindus that concentrated in large towns. The modern education by the British started in big towns and rural areas were neglected. The economic depression of the post World War-I cause loss of ownership of land to rural Sindhis, who took loans against agriculture land from urban rich and rural business-men connected with them and not being able to pay back had their lands confiscated to money lenders.

It will not be possible for any Government to increase the price by 2.5 times over night but it can be done over a period of 3 to 4 years. Increasing prices will result in increasing yields, as farmers will spend more on inputs, spend more on land improvmeent, watercourse improvement, drainage and new crops. They will also be able to spend on horticultural crops and education. Another advantage of increasing price of wheat and rice, will be that smuggling of wheat, rice and other edible grains to Iran, Afghanistan and India will stop as our prices will be higher than their international prices.

The net result of price control is that the returns from rural earning are less than half of the urban earning. This has lead to poverty conditions for the past five decades in rural areas. This in turn has effected biological factors namely:

- Family attitude.
- Economic conditions of the family.
- Intellectual level of parents.

Poverty has all these three factors and these in turn have affected the education of the children.

The literacy in Pakistan based on 1981 Census is 26.2%. The Pakistan system of education is based on its own ideology and is designed to perpetuate its own cultural values. The education system must full-fill elements like physical, moral and spirtual needs of the changing society. In order to fight all anti-social tendencies such as frustration, corruption, sectarianism, provincialism and religionism, we need to increase educational program, which will reduce such activities.

Family attitude.

The economic condition affect factors like; family relationship, educational standard of the parents, number of the family members, family attitude towards the education, ultimately affect on the achievement of the students in the family.

The level of income in the family has direct relationship with the standard of educaiton. The roles family teachers and leaders in the society are basic source of ideas in the nation. The cultural vacuum is created when educational standards do not meet demands of the society. The purpose of social activities is to stimulate interest in national and international affairs and to provide social and educational facilities to the students. The family can also help in language-skill awareness, which will help in reading ability.

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Economic condition.

The economic condition of the parents lead to the level of education of children as well as the level of completion of their study. The study shows in the families of low economic standards, the children face economic problem, which reduce their level of achievement, though in a few cases there is no effect of socio-economic status so high achievement of the children.

* The economy of the country can be improve by scientific education and education will become instrumental in socio-economic changes toward progress of any, society.

* Economic and industrial development in any country brings changes in the educational system. In order to meet new demands, we should consider, firstly of the problems being generated by the changes in our economic and social set-up, and secondly consider the modern education requirements training of students under changing conditions.

* In recent years, industrialisation has caused a rapid migration of population to the cities. This has brought with it inevitable social upheaval and social problems in the country. The dependence upon foreign aid and political stability of the country has also affected the country's social and education standards as well its system, which makes the stagnancy in the economic life and also industrial development, resulting in to week social upheaval and devaluation of some accepted values of the societies.

* In order to overcome these difficulties we have to provide various alternatives to safeguard the old and vanishing values, which are creating moral vacuum in our society. We need to plan for stability in the society and the country.

Intellectual level of the parents.

It effects the relationship between the parent teacher-pupil resulting into academic achievement of pupil.

* The change in and educational system is necessary due to new conditions and society demands. The existing opportunities available for informal education are inadequate in quality as well as in quantity. The aim of the education is the development of the individual personality with contemporary trends. In order to develop physical, moral, spiritual and emotional value in students, we need more time than only school hours. This means that the personality only be developed in the student by continuing the process of educaiton outside school hours.

* The education and training suffers seriously because lack of training opportunities, lack of self consciousness and unhappiness in life.

The solution lies.

* The training of students to develop a new and integrated society, having the ideological and social uplift programs for the country.

* As our society becomes sophisticated and economically better off, the education system should change according to the demands of the society.

* The education system can be improved by better planning, management and boosting the research activities.

* The curriculum should be changed according to scientific needs of society and the curriculum should be changed accordingly.

* The education system can easily be improved by doing research and analysis of the problems and the appropriate solutions.

* Encourage privatization of education.

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* Teachers must undergo refresher courses every 3-4 years.

* The Government must put more emphasis on primary education, formal and technical education and increase adult literacy programme. The education must be diverted toward job oriented and after education, student must get enough opportunities for practising education.

All these will lead to better economical development of the country.

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